# Ministry of Community, Sport and Cultural Development

# 2014/15 Annual Service Plan Report

BRITISH COLUMBIA

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# Minister's Message and Accountability Statement

Vibrant communities build a strong foundation for a successful British Columbia. For most British Columbians, local communities provide a sense of identity, familiarity and security. I note with pleasure that funding for our Ministry's community-based programs in 2014/2015 continued to support the success and viability of British Columbia's diverse and unique communities.

The Ministry worked in partnership with 189 local governments (162 municipalities and 27 regional districts) in the province to help build strong communities throughout British Columbia that are sustainable and prepared for economic growth. The Province also assists local governments by building partnerships that make significant federal investment in local communities possible. As a result of the finalization of negotiations between the Province, the Union of British Columbia Municipalities and the federal government over the past year, the Gas Tax program will invest $2.76 billion in B.C. local governments over the next ten years – and the Small Communities Fund under the New Building Canada Fund represents a $327 million investment over the next decade.

The Ministry sustained strong support for the arts, artists and cultural organizations in communities across the province, investing more than $60 million in arts and culture, including a record-high $24 million for the BC Arts Council, our government's key development and funding agency for the arts. The Ministry provided significant support for sports in British Columbia through an investment of approximately $50 million. Programs such as Hosting BC, BC Sport Participation and the Local Sport Program Development Fund supported a diverse range of sports events and competitions, as well as encouraging all British Columbians to enjoy a healthy lifestyle through participation in sport.

Every year, British Columbia hosts outstanding sport and cultural events. The B.C. Government approved the development of a five-year Sport, Arts and Culture Event Strategy to build a stronger link between event hosting and tourism promotion. We continue to develop the strategy with partners in other ministries and the BC Arts Council, BC Games Society, ViaSport, and Destination BC.

Through an agreement with the Ministry of Finance, the Gaming Policy and Enforcement Branch implemented an annual investment of $135 million in community gaming grants. Over 5,000 local organizations, representing virtually every community in British Columbia, received gaming grants. Our ongoing support for local governments, arts and culture, sport and gaming grants help communities throughout British Columbia succeed as great places to live, work, visit and invest.

The *Ministry of Community, Sport and Cultural Development 2014/15 – 2016/17 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2014/15 – 2016/17 Service Plan*. I am accountable for those results as reported.

Coralee Oakes

Honourable Coralee Oakes
Minister of Community, Sport and Cultural Development

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## Purpose of the Ministry

The Ministry of Community, Sport and Cultural Development brings together key government services and supports needed to make B.C. communities great places to live, work, visit and invest. The Ministry supports local governments, non-profit organizations and residents to build vibrant and healthy communities that are well governed, liveable, safe, economically resilient, socially and environmentally responsible and full of opportunities for participation in sport and the arts.

The Ministry oversees the following Crown corporations, agencies, boards and commissions, which are integral to achieving the Ministry's mission: the Royal BC Museum, the BC Assessment Authority, the BC Arts Council, the BC Games Society, the Board of Examiners, the Islands Trust Fund, and the Property Assessment Appeal Board. The Ministry also oversees the Office of the BC Athletic Commissioner and the University Endowment Lands, administers the annual Property Assessment Review Panel process and provides secretariat support to the Audit Council for the Auditor General for Local Government. Please see Appendix B for more information.

In addition, the Ministry works in close partnership with provincial, federal and municipal governments and agencies, as well as private and not-for-profit organizations. Some of these key partners include: the Municipal Finance Authority of British Columbia, the Local Government Management Association, the Government Finance Officers Association of BC, the Municipal Insurance Association of BC and the Union of British Columbia Municipalities (UBCM).

The effective delivery of the Ministry's mandate relies on key legislation, including: the *Local Government Act*, the *Community Charter*, the *Vancouver Charter*, the *Arts Council Act*, the *Assessment Act*, the *Gaming Control Act* and the *Athletic Commissioner Act*.

## Strategic Direction and Context

### *Strategic Direction*

The Minister's June 10, 2013 mandate letter from Premier Christy Clark outlined key expectations for the Ministry in 2014/15, such as the implementation of local government election changes, the creation of the framework for the rural dividend for communities, working with the UBCM on a framework for implementing the federal infrastructure program, and engaging with sport and cultural development communities to make recommendations on how we can better provide provincial support to these organizations.

In addition to the strategic priorities outlined in the Minister's June 2013 mandate letter, the introduction of the Taxpayer Accountability Principles (TAP) in June 2014 provided a framework to enhance greater strategic engagement between the Ministry of Community, Sport and Cultural Development and its associated Crown corporations. The Ministry worked with its Crown corporations to implement the TAP to strengthen accountability, promote cost control and support strategic alignment so that these public sector agencies can continue to be effective and efficient in their service delivery, while doing so with integrity and respect and in the best interests of taxpayers.

In 2014/15, the Ministry also worked on growing sport participation, sustaining and enhancing B.C.'s tradition of sport excellence and maintaining the Province's reputation as a premier sports event destination. To encourage hosting activities and events and to fulfill one of the Minister's mandate

commitments, the Ministry, in partnership with the Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour, explored opportunities to support event hosting within the province.

### *Strategic Context*

Factors such as shifting global markets and changing environmental dynamics have contributed to growing challenges for B.C.'s rural communities, including diminished local government tax revenues from industrial consolidation on the one hand and growth prospects on the other. The Ministry continued to work in partnership with local governments and other ministries to help communities prepare for investment and growth by identifying opportunities and barriers to economic development and to foster job creation throughout the province.

One of government's key priorities is to drive economic growth and prosperity in emerging markets, such as technology, mining, agrifoods and liquefied natural gas (LNG). The Ministry continues to play an important role in helping local governments prepare for growth opportunities by being ready to provide critical services, core infrastructure and cultural and sporting opportunities within their communities. Also, the Municipal Finance Authority has maintained its triple A credit rating, providing market stability and allowing local governments continued access to low rates of financing, furthering their ability to respond to current infrastructure needs and capitalize on the economic opportunities that lie ahead.

The Province benefits from many cultural assets that enhance the visitor experience and help strengthen B.C.'s world reputation as a tourist destination. With a focus on arts and culture as an economic and social catalyst, the Ministry continued to help build healthy and vibrant communities across British Columbia. The BC Arts Council renewed its strategic plan and launched a multi-year implementation plan to deliver on all commitments.

The 2015 Canada Winter Games (February 13 - March 1, 2015) brought an estimated 15,000 visitors and over 3,400 participants from across Canada to Prince George. As the largest multi-sport and cultural event ever held in northern British Columbia, these Games were a catalyst for development in the region and generated an estimated economic impact of $70 million to $90 million.

## Report on Performance

Over the past year, the Ministry worked with local governments and partner ministries to successfully accomplish its mandate items. Key successes included:

- Balanced the Ministry's 2014/15 budget.
- Contributed $1 million in planning grants to northwestern communities to plan for LNG development.
- Supported core grants for local governments and worked with communities and regions across B.C.
- Worked with the UBCM and federal government to secure a 10-year renewed agreement on the federal Gas Tax Fund to support the development of public infrastructure across B.C.
- Modernized local government elections by introducing the *Local Elections Campaign Financing Act*, which was subsequently passed in the legislature.
- The 2015 Canada Winter Games brought together thousands of visitors and participants from across Canada to Prince George and promoted northern career and educational opportunities.

- Together with the BC Arts Council, supported festivals and events around the province that built community pride and volunteerism and sustained a diverse and strong economy.
- Provided $2 million to double the After School Sports and Arts Initiative for children who may not otherwise have an opportunity to participate in organized activities in their community.

The creative economy is one of the most rapidly growing sectors in the world and the Ministry recognizes that creative people help drive growth in all sectors of the economy. B.C. is a culturally rich province with the highest number of artists per capita in Canada. In 2014/15, the Ministry developed a plan to grow B.C.'s creative economy and creative workforce; worked with the Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour to ensure that cultural assets are maximized to drive tourism opportunities in the province; and prepared a five-year hosting strategy to further promote B.C. as a world-class event hosting destination. New partnerships were developed between leaders who manage cultural assets, Visitor Centres and Chambers of Commerce to provide greater access to the growing market for cultural tourism. In addition to the Super Natural BC experience, visitors can enjoy unique arts and cultural experiences in communities across the province.

In 2014/15, the Ministry of Community, Sport and Cultural Development also undertook a number of key actions to advance the Taxpayer Accountability Principles across its Crown corporations and to foster a principled culture of efficiency and accountability at all levels. This included the development of TAP Engagement Plans to formally establish a schedule of regular meetings between ministers, board chairs, deputy ministers and Chief Executive Officers to discuss relevant and current corporation business, including reviewing achievement of the goals, objectives, performance measures, financial targets and risk assessments identified in the Crown corporation's Service Plan. The TAP Engagement Plans also promoted increased communication with respect to government direction; promoted actions and decisions that are consistent with government's mandate and priorities; and increased responsiveness to taxpayers' needs. Each Crown corporation developed and posted a comprehensive Code of Conduct that reflects the TAP and Ministry Crown Boards and executives have been informed and trained in the TAP.

Going forward, the Ministry and its Crown corporations will develop annual Evaluation Plans to report on performance against the TAP. Performance measures will be confirmed in 2015/16 and will be publicly reported as part of the 2015/16 Annual Service Plan Reports. The Ministry will continue working with our Crown corporations to support red tape reduction strategies and citizen focus as priority commitments of government.

## *Goals, Objectives, Strategies and Performance Results*

The purpose of this annual report is to provide the performance results for the goals, objectives, strategies and performance measures included in the Ministry's *2014/15 – 2016/17 Service Plan*. Consistent with its mandate letter direction, over the past fiscal year the Ministry worked towards achieving the following broad goals:

Goal 1: Communities and regions are effectively governed.

Goal 2: Communities and regions are vibrant and sustainable.

Goal 3: Communities are culturally rich and foster sustainable jobs, economic growth and a vibrant social fabric.

Goal 4: The provincial sport sector is robust and supports increased participation and athletic achievement.

## Goal 1: Communities and Regions are Effectively Governed

### Objective 1.1: A Sound Governance System that Balances Local Government Autonomy and Provincial Responsibilities for the Benefit of Citizens

### Strategies

Key strategies in 2014/15 included:

- Reviewing and monitoring the policy, legislative and regulatory framework, and proposing changes, so that local governments can govern effectively and meet citizen needs. An example was the *Local Elections Campaign Financing Act*, which provided greater transparency and accountability for the November 15, 2014 local government elections.
- Encouraging citizen-local government engagement in decision-making. This includes providing advice and problem solving on governance, finance, land use and other matters of interest to citizens; developing public information; and furthering education with partner organizations. An example was intensive work with Elections BC, the Local Government Management Association, the UBCM, the BC School Trustees Association and others to provide elections education for the 2014 local government general election to election administrators, candidates, elector organizations and the public.
- Supporting communities with changes to local government structure by helping to build a shared understanding about the facts and implications of municipal incorporation, boundary extension or other proposed restructuring. In 2014/15, this included completing five boundary extensions/corrections, creating new electoral areas in the Fraser Valley Regional District, converting an improvement district to a regional district service and reclassifying Maple Ridge from a district municipality to a city.
- Maintaining a fair, accountable and transparent property assessment system, including an independent appeal process to encourage economic growth in British Columbia.
- Assisting local governments to build respectful relationships with First Nations by supporting the Community-to-Community (C2C) Forum Program; encouraging collaboration and cooperation on matters of mutual interest; and supporting local governments in dealing with changes resulting from treaty negotiations. In 2014/15, 39 C2C forums were held in communities throughout the province.
- Encouraging transparency of local governments for citizens. This includes facilitating local government partnerships to open up local government data. In addition, the Auditor General for Local Government will continue its work conducting performance audits of local government operations.
- Facilitating provincial approvals essential to sustain the stability and financial viability of the local government system. This includes working with local governments and other provincial

agencies to better integrate local, regional and provincial interests on matters such as economic development, land use, and public health and safety.

## Objective 1.2: Local Governments are Able to Meet the Service Needs of their Residents

### Strategies

Key strategies in 2014/15 included:

- Supporting local governments with core human resource capacity by providing stable, predictable and timely funding through the administration of Small Community and Regional District Grants. The Province paid $54 million in fiscal 2014/15 to support good governance in 27 regional districts, the Islands Trust, and 131 smaller municipalities throughout B.C.
- Providing infrastructure funding development and planning support through a range of Ministry grant programs that enabled local governments to provide services to residents and create the conditions needed for economic growth.
- Distributing targeted funding for policing, crime prevention and community safety by returning net traffic fine revenues to local governments. The Province paid nearly $60 million in fiscal 2014/15 to 75 B.C. municipalities to support community safety initiatives.
- Supporting local governments to make effective service provision choices by encouraging regional and sub-regional services; providing advice on the variety of ways to deliver local services; and advising and providing tools to assist in resolving differences.
- Encouraging strong fiscal and asset management practices to support the development of sustainable infrastructure and amenities to accelerate economic development for communities. For example, encouraging local governments to participate in Asset Management BC.
- Furthering education through partner organizations such as the Local Government Management Association, the Government Finance Officers Association of BC, the Planning Institute of British Columbia, the Local Government Leadership Academy (LGLA) and the UBCM. The LGLA held eight Elected Officials Seminars throughout B.C. in February 2015, for those newly elected and returning from the 2014 local government elections, with 721 local government elected officials and staff attending.

## Performance Measure 1: Number of Municipalities Collecting at Least 90 Per Cent of their Current Year Taxes

| Performance Measure | 2012/13 Actual | 2013/14 Actual | 2014/15 Target | 2014/15 Actual | 2015/16 Target | 2016/17 Target |
|---|---|---|---|---|---|---|
| Number of municipalities collecting at least 90 per cent of their current year taxes | 149 | 149 | 154 | 151 | 155 | 155 |

**Data Source:** Local governments provide the Ministry with their financial data at the end of their fiscal year. The Ministry's reporting requirements are comprehensive and the data received

is highly accurate. In 2014/15, B.C. had 161 municipalities collecting taxes.

**Discussion:** Property taxes constitute the majority of municipalities' annual revenues and are therefore crucial in enabling municipalities to provide key services to their residents. By monitoring the number of municipalities that collect at least 90 per cent of their current year taxes, the Ministry is able to focus efforts on communities that may need guidance to assess their financial capacity and address challenges. Ministry efforts may include planning assistance and advice, municipal boundary alterations, land use bylaws, or grant funding.

Overall, the results for this measure have been increasing since 2009/10 when 142 municipalities were reported as having collected at least 90 per cent of their current year taxes. While the 2014/15 result was slightly lower than anticipated, Ministry assistance to communities requiring support has contributed and will continue to contribute to the overall success of this measure. This trend is expected to continue over the next few fiscal years.

## Performance Measure 2: Local Governments' Ability to Obtain Low-Cost, Long-Term Capital Financing

| Performance Measure | 2012/13 Actual | 2013/14 Actual | 2014/15 Target | 2014/15 Actual | 2015/16 Target | 2016/17 Target |
|---|---|---|---|---|---|---|
| Municipal Finance Authority's Credit Rating | AAA | AAA | AAA | AAA | AAA | AAA |

**Data Source:** Municipal Finance Authority of British Columbia (MFA).

**Discussion:** The MFA was created in 1970 to contribute to the financial well-being of local governments throughout B.C. The MFA pools the borrowing and investment needs of B.C. communities through a collective structure and is able to provide a range of low-cost and flexible financial services to its clients equally, regardless of the size of the community. The Ministry works collaboratively with the MFA and local governments to ensure low cost and flexible financial services are available to all local governments.

The Ministry supports the MFA in obtaining a high credit rating and low rates for borrowing through: administration of the *Municipal Finance Authority Act*; setting local government borrowing limits; reviewing and approving loan authorizations and setting financial reporting requirements; and ensuring local government financial data is available publically and to the MFA.

## Objective 1.3: Local Governments Support a Positive Environment for Business and Economic Development

### Strategies

Key strategies in 2014/15 included:

- Working with local governments, the UBCM and the business sector to ensure property tax on industrial and business properties promotes competitiveness and investment while maintaining local government capacity. In accordance with both local governments' financial planning and annual reporting, all local governments must report on their tax policy decisions including their apportionment of municipal taxes between various property classes.

- Encouraging local governments to engage with the business sector and other stakeholders to create policies, processes and actions to enable economic growth.
- Promoting the refinement of regulatory requirements across B.C. communities and regions to reduce the regulatory burden on citizens and business.
- Supporting the Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour in their efforts to connect communities to the *BC Jobs Plan*, providing guidance on best practices and assisting local governments to create and implement economic development strategies, policies and actions.

## Goal 2: Communities and Regions are Vibrant and Sustainable

### Objective 2.1: Communities Benefit from the Long-Term Economic, Regional and Social Opportunities that Emerge from Major Industrial Growth, including Liquefied Natural Gas

### Strategies

Key strategies in 2014/15 included:

- Assisting local governments to plan and create local capacity to respond to the demands and opportunities for sustained regional economic growth from major industrial activity. This included $500,000 in grants for restructure projects in local governments, $500,000 for infrastructure planning grants, and $1 million dedicated to northwest communities for land-use planning and asset management projects.
- Collaborating with ministries and agencies across government to support local communities in their efforts to create and implement economic and social development strategies, policies and best practices to prepare for industrial growth.
- Building a framework to leverage the social, economic and community dividends that result from the expansion of industrial activity in the province.

### Objective 2.2: Communities have Effective Water and Waste Management

### Strategies

Key strategies in 2014/15 included:

- Providing targeted funding to local governments to help them achieve provincial water and waste management objectives, which include those identified in the Action Plan for Safe Drinking Water in B.C., Living Water Smart, the *Drinking Water Protection Act*, the Municipal Wastewater Regulation and Liquid Waste Management Planning. This included announcement of the first intake of the $327 million New Building Canada Fund – Small Communities Fund for local infrastructure in communities with populations under 100,000.
- Providing tools and resources to local governments to assist them in conserving and protecting water resources, including guidelines for the development of water conservation plans; Model

Well Regulation Bylaws and an Implementation Guide; and the Water Conservation Calculator for local governments.

- Encouraging local governments to use liquid and solid waste as a resource and maximize the recovery value by providing tools like the Integrated Resource Recovery Guide.
- Promoting the use of the best, lowest life-cycle cost approaches for local government infrastructure projects.

## Performance Measure 3: Percentage of British Columbians Served by Drinking Water Systems that Meet Emerging Treatment Standards for the Protection of Drinking Water Quality

| Performance Measure | 2012/13 Actual | 2013/14 Actual | 2014/15 Target | 2014/15 Actual | 2015/16 Target | 2016/17 Target |
|---|---|---|---|---|---|---|
| Percentage of British Columbians[1] served by drinking water systems that meet emerging treatment standards for the protection of drinking water quality[2] | 36% | 36.3% | 59.3% | 59.6% | N/A | N/A |

**Data Source:** Contractual requirements between the Province and grant recipients include quarterly progress reports tied to claim payments. Additional information is obtained through the Union of British Columbia Municipalities and the Gas Tax Fund.

[1] Population percentages are calculated using BC Stats Population Estimates and are updated annually.

[2] This measure estimates the percentage of the provincial population served by systems meeting emerging standards. The Ministry does not collect data relating to communities served by private systems.

- This measure demonstrates the progress that is being made to serve British Columbians in meeting growing community needs and improved water standards. This year's progress is reflected by the increase of 23.3 percentage points in population receiving drinking water from systems that have completed works to meet higher treatment standards. Regional Health Authorities encourage service providers to meet higher water treatment standards to achieve increased certainty about drinking water quality. In some cases, these higher standards include the dual treatment of drinking water through disinfection and filtration (rather than disinfection alone), thus creating a second barrier of protection against the transmission of pathogens.
- Meeting these standards sometimes requires local governments to upgrade their existing water treatment facilities or construct new ones. The Ministry provides funding for these projects through the Building Canada Fund – Communities Component.
- In 2014/15 approximately 1,073,400 additional British Columbians were served by drinking water systems that received Ministry funding. The majority (>90 per cent) of these are a result of the completion of the tunnels for Metro Vancouver's Capilano-Seymour Drinking Water Filtration Plant Project.

## Objective 2.3: Local Governments are Implementing Strategies to Improve Community Sustainability

### Strategies

Key strategies in 2014/15 included:

- Updating Ministry infrastructure funding programs to encourage local governments to innovate, integrate and prioritize projects that deliver environmental, economic and/or social benefits.
- Providing guidance, advice and tools to help local governments meet their commitments under the *British Columbia Climate Action Charter*, including ongoing partnership with the UBCM through the Green Communities Committee (GCC), the Climate Action Revenue Incentive Program (CARIP), the GCC Climate Action Recognition Program, the UBCM Community Excellence Awards (Leadership & Innovation, Climate Action) and new Carbon Neutral tools (e.g., Forestry profile).
- Encouraging local governments to develop effective approaches to increase the supply of affordable entry-level market housing near transit.
- In partnership with the federal government and the UBCM, continued implementation of the current Federal Gas Tax Transfer Fund (Gas Tax Fund) and successfully negotiated the permanent Gas Tax Fund.
- Providing tools and resources for local governments to integrate land use planning and management decisions with transportation, infrastructure and financial planning and decision-making.
- Promoting the effective development, adoption and implementation of Regional Growth Strategies by providing advice throughout the process and assistance in resolving disputes.
- Making tools and resources available to help local governments understand the impacts of climate change and take action to adapt, including best practices for sustainable land use and infrastructure.

## Performance Measure 4: Percentage of Local Governments Taking Action to Reduce their Carbon Footprint

| Performance Measure | 2012/13 Actual | 2013/14 Actual | 2014/15 Target | 2014/15 Actual | 2015/16 Target | 2016/17 Target |
|---|---|---|---|---|---|---|
| Percentage of local governments taking action to reduce their carbon footprint | 92% | 92% | 95% | 86%[1] | 96% | 96% |

**Data Source:** Local governments' annual CARIP reports.

[1] Based on reports received as of May 6, 2015. Final reports will be available July 31, 2015.

- Local governments across British Columbia continue to take actions to reduce their corporate and community-wide greenhouse gas (GHG) emissions. Their efforts are key to creating vibrant, sustainable communities and regions. Interim reporting as of May 6, 2015 shows that the percentage of local governments taking action to reduce their carbon footprint in 2014 was 86 per cent. Receipt of final reports is expected to increase the 2014/2015 actual result, although probably not to the forecasted 95 per cent. The main reason for the anticipated variance from the forecast appears to be that smaller local governments, while undertaking carbon reduction initiatives, are opting not to submit CARIP reports because the grant dollar amounts are limited compared to the resources they put toward applying for the grants. The new online CARIP reporting format launched in 2014 provides the opportunity to further simplify the reporting process for small local governments, which may encourage smaller local governments to opt back into the CARIP grant process and increase the number of local governments submitting reports.

## Goal 3: Communities are Culturally Rich and Foster Sustainable Jobs, Economic Growth and a Vibrant Social Fabric

## Objective 3.1: Creative People, Places, and Experiences Exist throughout B.C.

### Strategies

Key strategies in 2014/15 included:

- Building capacity for creative economic activities by improving public awareness, training, and support for artists, creators and creative organizations.

- Engaging with the Ministry of Jobs, Tourism and Skills Training and Minister Responsible for Labour and Destination BC to enhance art and culture content on HelloBC and to encourage visitors to take advantage of B.C.'s arts and cultural experiences.
- Investing in a healthy not-for-profit cultural sector:
    - $24 million through 1,372 BC Arts Council grants in 230 communities across B.C.; and,
    - $135 million Community Gaming Grants to approximately 5,000 non-profit organizations in 273 communities.
- Continuing to engage stakeholders on gaming grant processes to effectively provide support to charities and not-for-profit groups and undertaking stakeholder engagement with organizations such as the BC Association for Charitable Gaming and sector-specific umbrella organizations.
- Raising awareness within B.C. of the importance of a creative environment and how it contributes to innovation and economic growth.
- Connecting and engaging communities from all regions and continuing to create awareness of our capital city by supporting festivals and events in the Capital, including continuation of the Capital for Kids Travel Program.
- Initiating a pilot Democracy in Action youth conference to promote youth civic engagement.
- Exploring opportunities to support the rapidly growing creative economy and workforce by improving access to markets and building awareness of the creative sector's critical role in encouraging people to live, work and invest in B.C. communities.

## Objective 3.2: The Next Generation of Skilled Workers are Creative, Collaborative and Innovative Thinkers

### Strategies

Key strategies in 2014/15 through the *BC Creative Futures* strategy launched in 2013 included:

- Building on existing expertise in the creative sector and funding projects that supported new approaches to youth engagement in the arts to grow the workforce and develop the next generation of creative, collaborative and innovative thinkers.
- Preparing our children and youth to excel in the knowledge-based economy and training skilled workers in alignment with the *BC Jobs Plan*.
- Increasing access to scholarships and co-op placements in the arts and culture sector:
    - $3.5 million in Youth Engagement Programs including 310 grants to 61 school districts; and,
    - $2 million in youth scholarships, co-op placements, internships, residency and mentorship opportunities.
- Enabling children and youth to participate in the arts both in the classroom and during after school-hours by investing $2 million for the After School Sport and Arts initiative, which supported programs in 151 schools in 14 school districts across the province.
- Continuing to establish collaborative partnerships with community stakeholders and delivery agents such as Art Starts in Schools, the BC Touring Council and First Peoples' Cultural Council (FPCC).

## Objective 3.3: British Columbia's Arts and Culture Sector is Vibrant, Resilient and Recognized for Artistic Excellence

### Strategies

Key strategies in 2014/15 included:

- Fostering artistic excellence through investments in individual artists and grants to cultural organizations.
- Strengthening engagement in the arts by helping to build relationships between artists and their communities.
- Developing the artistic and adaptive capacity of the sector.
- Supporting the unique role of Aboriginal artists and communities in B.C.'s artistic and cultural life by investing in Aboriginal artists and cultural organizations and by working with FPCC, delivering 89 Aboriginal Arts Development Awards totaling $735,000 on behalf of the BC Arts Council through five program streams.

## Performance Measure 5: Percentage of B.C.'s Major Cultural Organizations that Maintain or Improve their Net Financial Position Compared to the Previous Year[1]

| Performance Measure | 2012/13 Actual | 2013/14 Actual | 2014/15 Target | 2014/15 Actual | 2015/16 Target | 2016/17 Target |
|---|---|---|---|---|---|---|
| Percentage of organizations that maintain or improve their financial position | 64% | 64% | 64% | 68%[2] | 64% | 64% |

**Data Source:** CADAC (Canadian Arts Data / Donnés sur les arts au Canada) and BC Arts Council records.

[1] As the Ministry funds cultural organizations through Community Gaming Grants and the BC Arts Council, it contributes to the financial success of cultural organizations. This measure is an indicator of the health of the sector as a whole and reflects the financial stability of arts and cultural organizations in the cultural economy of the Province.

[2] The 2014/15 result of 68 per cent exceeded the target, demonstrating a healthy sector. An increase of 4 percentage points is not considered statistically significant given the small sample.

**Discussion:** Each year, 25 cultural organizations with the highest revenues for the year are reviewed and their working capital reported in their financial statements is compared to the previous year. The number of organizations that have maintained or improved their position against the total of 25 is calculated as a percentage and reported above. The target of 64 per cent reflects a desire to see stability and resilience in the sector.

## Performance Measure 6: Geographic Reach of BC Arts Council Funding

| Performance Measure | 2012/13 Actual | 2013/14 Actual | 2014/15 Target | 2014/15 Actual | 2015/16 Target | 2016/17 Target |
|---|---|---|---|---|---|---|
| Number of communities[1] | 214 | 215 | More than 200 | 230[2] | More than 200 | More than 200 |
| Number of regional districts (RDs) | All 27 | All 27 | All 27 | All 27 | All 27 | All 27 |

**Data Source:** BC Arts Council grant management database.

[1] For the purpose of this measure, communities are defined as municipalities and unincorporated settlements.

[2] The 2014/15 result of 230 exceeded the target, demonstrating the broad geographic reach of the programs. As the target was exceeded by 15 percentage points, this improvement is statistically significant and can be explained by the addition of new programs offered since 2012/13.

**Discussion:** This measure indicates the number of communities in which individuals or organizations successfully accessed funding through the programs of the BC Arts Council. Exceeding the target number of communities is an indicator of the inclusiveness of the programs for all British Columbians, regardless of where they live in the province.

## Goal 4: The Provincial Sport Sector is Robust and Supports Increased Participation and Athletic Achievement

## Objective 4.1: Individuals have more Opportunities to Participate in Sport in Order to be More Physically Active, Healthier and Achieve their Personal Goals

### Strategies

Key strategies in 2014/15 included:

- Promoting opportunities for British Columbians to participate and achieve personal goals in organized sport by supporting organizations, programs and services, such as provincial and multi-sport organizations (e.g., the BC Soccer Association, 55+ BC Games, and the BC Blind Sports and Recreation Association).

- Building on support to sport organizations with initiatives that reduce financial, geographic and other barriers to participation and sport excellence. Examples of these initiatives include KidSport BC™, the After-School Sport and Arts Initiative, the BC Sport Participation Program, and PacificSport Centres' programs and services.
- Supporting programs that target specific populations (e.g., Aboriginal, seniors, girls and women, persons with a disability, and new immigrants), which also makes sport more affordable and accessible for families.
- Improving health and educational outcomes for children by bringing together various interests that enable the increased physical activity of children through school-based sport and community sport.
- Increasing coach and leadership development opportunities and supporting organizations and programs that ensure safe experiences and skill development in sport.
- Working with the provincial sport sector to streamline administrative services to create savings that can be reinvested into community programming.

## Objective 4.2: Athletes have More Opportunities to Achieve Excellence in Sport to Inspire Greater Participation in their Home Communities

### Strategies

Key strategies in 2014/15 included:

- Supporting B.C.'s elite athletes at all levels in their pursuit of excellence by supporting events such as the BC Summer and Winter Games, athletes' participation in Team BC, and centres such as the Canadian Sport Institute Pacific.
- Building on this support by helping B.C. athletes excel through providing resources to athletes at various points in their development (e.g., provincial and regional coaching, and sport science expertise) as they progress to more advanced levels of competition.
- Supporting Team BC's participation at Canada Games through funding to provincial sport organizations, training mission staff, and overseeing program logistics.

### Performance Measure 7: Percentage of B.C. Athletes on National Teams

| Performance Measure | 2012/13 Actual | 2013/14 Actual | 2014/15 Target | 2014/15 Actual | 2015/16 Target | 2016/17 Target |
|---|---|---|---|---|---|---|
| Percentage of B.C. athletes on national teams.[1] | 34.7% | 33.7% | Greater than 25% | 34.8% | Greater than 25% | Greater than 25% |

**Data Source:** Canadian Sport Institute Pacific.

[1] National teams are defined through sport-specific criteria as those athletes who represent

Canada at events such as Olympic, Paralympic, or Commonwealth Games and/or World Championships or who are supported through the Sport Canada Athlete Assistance Program in the current year. Sports included in the measure are those that have been targeted for enhanced performance support funding (19 sports in 2014/15). Other indicators related to this measure that will be monitored are the number of BC Games and Team BC athletes on national teams; medals won at Games and world championships; Team BC performance at Canada, Western Canada Summer, and North American Indigenous Games; as well as the number of coaches and athletes benefitting from the Integrated Performance System. Provided by Canadian Sport Institute Pacific as of January 6, 2015.

**Discussion:** The Ministry provides support to high-performance athletes through funding for coaching, sport medicine and science professionals, events and training opportunities. The performance of our athletes on the international and national stage is a strong indication of the overall health of the sport system. Competitive results measure the strength of B.C.'s community facilities, events, coaches, organizations, officials, technical expertise, volunteers and other key "ingredients" of success.

This measure demonstrates the impact the Ministry's efforts have had on sports excellence in B.C. This target has been set at 25 per cent, which shows the strong representation that B.C. athletes have on national teams, even though British Columbia's population is only 13 per cent of Canada's total population. Since 2010, these targets have been exceeded and the Ministry expects this trend to continue.

## Objective 4.3: Major Events Support Sport, Economic and Community Development

### Strategies

Key strategies in 2014/15 included:

- Developing a strategy to attract more marquee events to British Columbia – events that bring economic and social benefits to B.C. families and their communities, and help promote B.C. as an attractive place to live and invest.
- Investing in major hosting opportunities, such as the BC Games, 2014 Special Olympics Canada Summer Games, 2015 Canada Winter Games and the FIFA Women's World Cup Canada 2015.
- Supporting a wide range of regional sport events province-wide through the Hosting BC program, which bring significant social and economic benefits to communities across B.C.

# Financial Report

## *Management Discussion and Analysis*

This Management Discussion and Analysis reports on the Ministry of Community, Sport and Cultural Development's financial results for the year ended March 31, 2015 and should be read in conjunction with the Financial Report Summary Table provided below.

**Operations**

- This year, the Ministry realized savings in certain program areas (see table and notes below), which were used to offset the costs of providing support through Arts, Culture, Gaming Grants and Sport for additional cultural and commemorative events.

- The Province accelerated payments of $40 million in Small Community/Regional District and Traffic Fine Revenue Sharing grants into 2014/15. These grants were previously scheduled to be paid in 2015/16 and 2016/17. The acceleration provides local governments with access to provincial contributions earlier, enabling them to commence work and provide services sooner. The cost associated with accelerating these payments was funded through access to government's centrally held Contingencies Vote. In addition, the Arts, Culture, Gaming Grants and Sport Division was able to provide increased, one-time funding to community organizations through access to the Contingencies Vote at year end.

- In 2014/15, costs associated with supporting the University Endowment Lands (UEL) exceeded the estimated budget. The primary driver of the overage was a retroactive wage increase to firefighters as a result of an arbitration ruling. The Ministry received a $2 million budget increase in 2015/16 for the UEL Special Account related to infrastructure planning and engineering; and water usage fees and Block F rezoning costs. These additional expenditures will be fully cost-recovered through a combination of property taxes and user fees.

**Capital Projects**

- The Ministry made $83,000 in capital expenditures in the development of the Local Government Information System (LGIS) in fiscal 2014/15. LGIS is the Ministry's information systems initiative that will deliver an integrated solution for grant and regulatory tracking programs for the local governments. The Ministry has budgeted $1.29 million towards LGIS development in 2015/16.

**3 Year Outlook**

- The Ministry's notional budget allocation from 2015/16 through 2017/18 is stable with sufficient appropriation to continue core program delivery.

## Financial Report Summary Table

| | Estimated | Other Authorizations[1] | Total Estimated | Actual | Variance[2] |
|---|---|---|---|---|---|
| **Operating Expenses ($000)** | | | | | |
| **Local Government** | 143,565 | 44,454 | 188,019 | 187,875 | (144) |
| **Integrated Policy, Legislation and Operations** | 2,779 | | 2,779 | 2,441 | (338) |
| **Arts, Culture, Gaming Grants and Sport** | 46,683 | 4,979 | 51,662 | 52,157 | 495 |
| **Transfers to Crown Corporations and Agencies** | 11,866 | | 11,866 | 11,866 | - |
| **Executive and Support Services** | 5,825 | | 5,825 | 5,812 | (13) |
| **Ministry Totals** | 210,718 | 49,433 | 260,151 | 260,151 | - |
| **Special Accounts** | | | | | |
| **BC Arts and Culture Endowment Special Account** | 2,500 | | 2,500 | 2,500 | - |
| **Physical Fitness and Amateur Sports Fund Special Account** | 1,700 | | 1,700 | 900 | (800) |
| **University Endowment Lands Administration Account Special Account** | 6,442 | 685 | 7,127 | 7,127 | - |
| | | | | | |
| **Sub-Total** | **221,360** | **50,118** | **271,478** | **270,678** | **(800)** |
| **Adjustment of Prior Year Accrual[3]** | | | | (65) | (65) |
| **Total** | **221,360** | **50,118** | **271,478** | **270,613** | **(865)** |
| **Ministry Capital Expenditures (Consolidated Revenue Fund) ($000)** | | | | | |
| **Executive and Support Services** | 833 | 0 | 833 | 83 | (750) |
| **Total** | **833** | **0** | **833** | **83** | **(750)** |

[1] "Other Authorizations" include Supplementary Estimates, Statutory Appropriations and Contingencies. Amounts in this column are not related to the "estimated amount" under sections 5(1) and 6(1) of the *Balanced Budget and Ministerial Accountability Act* for ministerial accountability for operating expenses under the Act.

Other Authorizations: $50,118

Contingencies Access

Local Government

Traffic Fine Revenue Program $ 21,000

Small Community Grants Program $ 19,000

Community Infrastructure Projects $ 4,454

Arts, Culture, Gaming Grants and Sport

Grants to Community Organizations $ 4,979

Statutory Appropriation – Special Account $ 685

[2] Explanations of Variances:

Integrated Policy, Legislation and Operations: Savings from hiring lags in this branch have been used to offset pressures in Arts, Culture, Gaming Grants and Sport.

Arts, Culture, Gaming Grants and Sport: Increased expenditures related to grants to community organizations for cultural and commemorative events.

Physical Fitness and Amateur Sport Fund: Reduced expenditures driven by lower return on the investments in the Physical Fitness and Amateur Sport fund.

Capital: A significant portion of the Ministry's Capital Budget is allocated to the development of the Local Government Information System (LGIS). The 2014/15 budget has been re-profiled into 2015/16 to better match the budget to anticipated capital expenditures.

[3] The Adjustment of Prior Year Accrual of $0.065 million is a reversal of accruals in the previous year.

# Appendix A: Contact Information and Hyperlinks

## *Contact Information*

**Minister's Office**
Honourable Coralee Oakes
PO Box 9056 Stn Prov Govt
Victoria, BC V8W 9E2
Email: CSCD.Minister@gov.bc.ca

**Deputy Minister's Office**
Becky Denlinger
Deputy Minister
Telephone: (250) 387-4104
Fax: (250) 387-7973
Email: CSCD.DeputyMinister@gov.bc.ca

**University Endowment Lands**
5495 Chancellor Boulevard
Vancouver, BC V6T 1E2
Telephone: (604) 660-1810
Fax: (604) 660-1874
Email: uel@gov.bc.ca
www.universityendowmentlands.gov.bc.ca

Further information on the various programs and services provided by the Ministry of Community, Sport and Cultural Development can be found at www.gov.bc.ca/cscd

To contact a specific person or program in the Ministry of Community, Sport and Cultural Development, please refer to the B.C. Government Directory.

# Appendix B: List of Crowns, Agencies, Boards and Commissions

## CROWNS

**BC Assessment Authority**
400-3450 Uptown Boulevard
Victoria, BC V8Z 0B9
Telephone: 1-866 valueBC (1-866-825-8322)
www.bcassessment.ca

**BC Games Society**
200-990 Fort Street
Victoria, BC V8V 3K2
Telephone: (250) 387-1375
Fax: (250) 387-4489
E-mail: info@bcgames.org
www.bcgames.org

**Royal BC Museum**
675 Belleville Street
Victoria, BC V8W 9W2
Telephone: (250) 356-7226
E-mail: receptionist@royalbcmuseum.bc.ca
royalbcmuseum.bc.ca

## AGENCIES, BOARDS AND COMMISSIONS

**Audit Council of the Auditor General for Local Government**
www.aglg.ca/about-the-audit-council

**BC Arts Council**
Street Address:
2nd Floor, 800 Johnson Street,
Victoria, BC

Mailing Address:
PO Box 9819, Stn Prov Govt
Victoria, BC V8W 9W3
Telephone: (250) 356-1718
Fax: (250) 387-4099
Email: BCArtsCouncil@gov.bc.ca
www.bcartscouncil.ca

**BC Athletic Commissioner**
PO Box 9823, Stn Prov Govt
Victoria, BC V8W 9W3

Telephone: (250) 952-6735
Toll Free: 1-855-952-6760
Fax: (250) 387-8703
Email: Athletic Commissioner@gov.bc.ca
www.cscd.gov.bc.ca/bcathleticcommission

**Board of Examiners**
Fax: (250) 387-7972
E-mail: BoardofExaminers@gov.bc.ca
www.cscd.gov.bc.ca/lgd/gov_structure/board_examiners/index.htm

**Islands Trust Fund**
*Victoria Office*
200-1627 Fort Street
Victoria, BC V8R 1H8
Telephone: (250) 405-5151
www.islandstrust.bc.ca

*Salt Spring Office*
1–500 Lower Ganges Road
Salt Spring Island, BC V8K 2N8
Telephone: (250) 537-9144

*Northern Office*
700 North Road
Gabriola Island, BC V0R 1X3
Telephone: (250) 247-2063

**Property Assessment Appeal Board**
Suite 10, 10551 Shellbridge Way
Richmond, BC V6X 2W9
Telephone: (604) 775-1740
Toll-free phone: 1-888-775-1740
Fax: (604) 775-1742
Toll-free fax: 1-888-775-1742
E-mail: office@paab.bc.ca
www.assessmentappeal.bc.ca

**Property Assessment Review Panels**
Office of the Administrator
PO Box 9361, Stn Prov Govt
Victoria, BC V8W 9M2
Telephone: (250) 356-7535 or (250) 356-5268
Fax: (250) 356-6924
E-mail: parp@gov.bc.ca
www.cscd.gov.bc.ca/parp

# Appendix C: Minister's Mandate and Actions Summary

In Premier Christy Clark's annual mandate letter to the Minister dated June 10, 2013, the Minister of Community, Sport and Cultural Development received direction on strategic priorities for the 2014/15 fiscal year. These priorities and the Ministry's resulting actions are summarized below:

| Mandate Letter Direction | Ministry's Action |
|---|---|
| 1. Balance the ministerial budget in order to control spending and ensure an overall balanced budget for the province of British Columbia. | The 2014/2015 budget for the Ministry reported a modest surplus at the end of the fiscal year as a result of prudent management controls to help the Province achieve its fiscal objective. |
| 2. Create the framework for the rural dividend for communities in the northwest that will be impacted by the opportunities and challenges that will arise from the LNG opportunity. | Continued to collaborate with the Minister of Forests, Lands and Natural Resource Operations, the Parliamentary Secretary for Rural Development, and the newly created Rural Advisory Council to provide advice on rural community capacity building, including the Rural Dividend. |
| 3. Work with the Union of BC Municipalities on a framework for implementing the upcoming federal infrastructure program to maximize provincial benefit opportunities. | Worked with the UBCM and federal government to secure a 10-year extension on the federal Gas Tax Fund to support the development of public infrastructure across B.C. |
| 4. Implement local government election changes in time to be used for the November 2014 local government elections. | Passed the *Local Elections Campaign Financing Act* in the Spring 2014 legislative session. |
| 5. Work with the sport and cultural development communities to make recommendations on how we can better provide provincial support to these organizations recognizing that we remain in a very difficult financial position. | Provided $2 million to double the After School Sports and Arts Initiative for children who may not otherwise have an opportunity to participate in organized activities in their community.<br><br>BC Creative Futures strengthened opportunities for creativity, particularly through increasing engagement in the arts, as well as on-the-job skills training in the creative sector.<br><br>Additional funding totaling $150,000 was provided to ArtsVest, which focused on sponsorship training and a matching incentive program, through partnerships with Business for the Arts, Canadian Heritage, and the Province. |